



Request for Proposal

Benefits Broker and Consulting Services

City of Lake Oswego
380 A Avenue
PO Box 369
Lake Oswego, OR 97034
September 29, 2021

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INTRODUCTION

The City of Lake Oswego, Oregon is a full-service City, which provides quality municipal services to its 39,127 citizens.

The City is soliciting requests for proposals from qualified persons or firms (“Proposer”) to provide benefit broker and consulting services, including evaluation and ongoing actuarial analysis of plan financial experience, claims, future funding requirements, etc.

This RFP can be viewed on the City’s Human Resources website:
www.ci.oswego.or.us/hr

BACKGROUND

The City of Lake Oswego currently offers two medical insurance plans to regular full-time and part-time employees, and retirees. We currently offer a choice of Aetna and Kaiser. Full-time employees are not allowed to opt out of coverage. The City also currently offers dental insurance through Moda Health (Delta Dental) and Kaiser. The dental insurance through Delta is self-insured and, as with the medical insurance, full-time employees are not allowed to opt out of coverage.

In addition to medical and dental insurance the City also currently provides the following:

- Vision coverage through VSP and Kaiser.
- Group and additional life and AD&D insurance through The Standard.
- Long Term Disability insurance through The Standard.
- Survivor insurance through The Standard.
- An employee assistance program with Reliant Behavioral Health.
- COBRA and early retiree services and administration through ADP.
- VEBA through Gallagher VEBA.
- PEHP through Nationwide.
- Flexible Spending (Section 125) plan with Allegiance.

The City has an active Benefits Committee that is charged with being knowledgeable about the City’s health insurance offerings, makes recommendations regarding health insurance, and provides communication and information to employees.

The City does not have a formal wellness program, but has a Wellness Committee that promotes wellness in the organization.

COBRA and retiree benefits are currently administered by a third party, however, the City would be interested in cost information related to that service as part of this proposal. Accordingly, the Proposal should contain an additive option for the COBRA and retiree benefits.

The City has engaged the services of a benefits broker for several years. The current broker is paid by a flat annual fee paid directly by the City.

INFORMATION ABOUT THE CITY'S BENEFITS PROGRAM

The City's total annual cost for all health programs in fiscal year 21/22 is \$7 million. Health insurance, including medical, dental and vision is approximately \$6.1 million of the total cost. This amount is offset by employee contributions, which varies by employee group. This amount however does not include part-time employee contributions, as those contributions fluctuate based upon the number of hours the employee works.

Approximately 326 employees are covered by the City's health insurance program: 198 covered by Aetna and 128 covered by Kaiser. The City also provides insurance coverage to approximately 37 retirees.

The City has three labor groups: The Lake Oswego Municipal Employees Association (LOMEA), which is formally affiliated with the American Federation of State, County and Municipal Employees (AFSCME); the Lake Oswego Police Officers Association (LOPOA); and the International Association of Fire Fighters (IAFF). Employee contributions towards health insurance premiums are governed by specific collective bargaining agreements or by City policy for non-represented staff.

SCOPE OF SERVICES

The City of Lake Oswego is looking for a benefits broker and consultant to manage costs, comply with legislation, and utilize technology to communicate and administer our benefit programs.

Scope of Services Includes:

- Provide an initial evaluation and ongoing actuarial analysis of plan financial experience, claims experience, and future funding requirements.
- Provide insurance brokerage and advisory services associated with employee benefit plans. This includes, but is not limited to, acting as an intermediary on behalf of the City with the underwriting community, marketing activities and analyzing options and proposing recommendations.
- Assist the City in controlling and/or reducing health plan expenditures while retaining a competitive benefits program.
- Define objectives and initiatives through strategic planning. Prepare an annual benefits calendar and execute deliverables accordingly.
- Perform quarterly meetings with City Benefits Committee to discuss claims experience, provide updates and discuss objectives.
- Handle day-to-day and on-going client communication.
- Streamline benefit offerings to meet employee and competitive needs.

- Work with Benefits Committee to explore creative solutions in health insurance plan design and delivery.
- Compare premium rates and employee contributions to local, regional or state public sector norms.
- Communicating the value and objectives of benefit plans to City management, which may include the Executive Team, Labor Committees, Benefits Committee, City Manager, and City Council, as appropriate.
- Provide employee assistance for claims resolution through a Benefit Advocate service and provide benefit consulting services to employees upon separation of employment.
- Help participants understand the City's benefit plans through print communications and interactive online tools and services.
- Help participants understand the economic value of benefits.
- Keep the City updated on changes in statutes, rules and regulations regarding our responsibility under federal and state laws and develop procedures to ensure our benefit programs are in good legal standing.
- Keep the City updated and provide ongoing assistance with federal and state reporting and compliance requirements as required by outside agencies.
- Ongoing monitoring and annual financial reporting that includes, at a minimum, the following information:
 - ✓ Claims, enrollment, and demographic data collection.
 - ✓ Analysis of historical data to develop and validate trends.
 - ✓ Analysis of utilization.
 - ✓ Projection of expenses for the next fiscal year.
 - ✓ Calculation of appropriate reserve levels for self-insured plan options on an ongoing basis.
 - ✓ Determination of funding rates and COBRA/retiree rates.
- Facilitate the Annual Renewal process, which includes, but may not be limited to:
 - ✓ Review benefit designs and provide recommendations on all health and welfare benefits to provide cost management and savings to the City.
 - ✓ Provide input and recommendations on any mandated benefit design changes.
 - ✓ Negotiate all renewals with carriers.
 - ✓ Evaluate the renewal calculations of the City's contracted medical, dental, and vision providers and plan design options.
 - ✓ Provide projected rates for active employees, retirees, and COBRA participants no later than three (3) months prior to annual renewal.
 - ✓ Prepare documents necessary to communicate plan changes, required notices, and other important open enrollment information to employees.
- Manage plan changes with providers as necessary.
- Provide leadership with carrier relationship management.
- Assistance with contract and policy review.
- Provide a central resource documenting all activities surrounding the delivery of benefits. The resource includes benefit plan objectives, current and historical plan

data, documentation of plan issues and decisions, efficiency of renewal processes, and appropriate federal and state plan compliance.

- Identify industry trends and make recommendations.

DURATION OF SERVICES

The term of the awarded Contract will be for one (1) year, and may be renewed annually at the option of the City for four (4) successive years, provided however that the original and renewal terms of the contract not exceed five (5) years for the original date of the commencement of the contract.

SUBMITTAL REQUIREMENTS

Proposals should be prepared simply, providing a straightforward, concise delineation of the approach and capabilities necessary to satisfy the requirements of the RFP. Technical literature and elaborate promotional materials, if any, must be submitted separately. Emphasis in the proposal should be on completeness, clarity of content, and adherence to the presentation structure required by the RFP.

All responses to this RFP must include the following:

- Provide complete responses to the Proposal Questions in the order provided (Attachment A).
- Proposal should be submitted on double sided typed pages, excluding cover, evidence of insurance, and other attachments.
- A completed and signed RFP Proposal Form (Attachment C).
- A completed and signed Cost Proposal Form (Attachment D).

Ten (10) hard copies and one electronic copy of the completed proposal must be received by the proposal due date and time. The City at its discretion may make additional copies of the proposal for the purpose of evaluation only. The original proposal will include original signatures, in ink, by authorized personnel, on all documents that require an authorized signature.

Submission of a proposal will signify the Proposer's agreement that its proposal and the content thereof are valid for 180 days following the submission deadline unless otherwise extended in writing by both parties. The successful proposal will become part of the Contract that is negotiated between the City and the successful Proposer.

Proposals must be submitted by **October 29, 2021 at 4:00 pm**. Proposals submitted after the deadline will not be considered.

MANNER OF SUBMITTING PROPOSAL

1) Mail or deliver ten (10) paper copies of proposal, using easily recyclable materials along with one (1) electronic copy (in pdf format) to the Project Manager.

Mail: Lake Oswego Human Resources Department
Attn: Megan Phelan
P.O. Box 369
Lake Oswego, OR 97034

Delivery: Human Resources Department (Third Floor)
Attn: Megan Phelan
380 A Avenue
Lake Oswego, OR

2) Submission shall be in a sealed envelope bearing the name and address of the proposer and the name of the project "Benefits Broker and Consultant."

3) Proposers should allow appropriate delivery time to ensure timely receipt of their proposals, and assume the risk of late delivery. (Note: Mail is collected by the City from its US Post Office Box on city business days at approximately 8 a.m.; any mail not in the mail box at the time of collection is not deemed received until the next business day's collection.)

EVALUATION PROCEDURES AND CRITERIA

Proposers are encouraged to be creative in responding to this RFP; proposing alternatives in addition to a traditional service delivery model. A proposal may be submitted by two or more persons or firms, or as a single Proposer partnership. Proposals will be evaluated by the Review Committee. The Review Committee will consider the completeness of a Proposer's proposal and how well the proposal meets the needs of the City.

Proposals will be evaluated by the Review Committee based upon the criteria listed below:

- Products: The quality and thoroughness of work and offerings = 10%
- Services: The capability to successfully deliver the scope of services on time and within budget = 20%
- Expertise / Subject Matter: Experience with benefits brokering and consulting = 25%
- Expertise / Public Sector: Experience with governments and specifically local municipalities = 10%
- References = 5%
- Budget: Pricing for the scope of services = 20%
- Proposal: Straightforward, concise response to requirements of the RFP = 10%

The top three proposals will be invited to attend an interview with the Review Committee. The questions will be related to the above criteria. The scores resulting from the interview will be added to the scores of the written proposals. The Review Committee will then select the highest-ranked Proposer to negotiate a contract. (See Contract Notification and Award below).

REJECTION OF PROPOSALS

The City reserves the right to reject any and all Proposals and to waive irregularities and informalities in the submittal and evaluation process. This RFP does not obligate the City to pay any costs incurred by Proposers in the preparation and submission of their Proposals. Furthermore, the RFP does not obligate the City to accept or contract for any expressed or implied services.

PROPOSAL MODIFICATIONS AND CLARIFICATIONS

The City reserves the right to request that any Proposer clarify its proposal or to supply any additional material deemed necessary to assist in the evaluation of the proposal.

Modification of a proposal already received will be considered only if the modification is received prior to the submittal deadline. All modifications must be made in writing, executed and submitted in the same form and manner as the original proposal.

EXCEPTIONS

If a Proposer takes exception to any term or condition set forth in this proposal and/or the any of its Exhibits and Attachments (including Insurance Requirements), said exceptions must be clearly identified on the RFP Proposal Form. Exceptions or deviations to any of the terms and conditions must not be added to the proposal pages but must be submitted on the RFP Proposal Form under "Exceptions". Such exceptions shall be considered in the evaluation and award process. The City shall be the sole determiner of the acceptability of any exception.

The form of Contract that the successful Proposer will be expected to execute if awarded the contract is included. The Proposer should include in the proposal any objections to the form or terms of the Contract. Any objections shall be considered after a determination of the apparent highest ranked responsive, responsible proposer is made, and the terms shall be subject to negotiation. The City Finance Director, in consultation with the City Attorney, shall determine if any proposed modifications to the form of Contract are acceptable to the City and that they do not present material risk to the City or increase the City's costs. If the final negotiated terms are not acceptable to the apparent highest ranked responsive, responsible proposer, that proposer shall be declared not to be responsive, and the next apparent highest ranked responsive, responsible proposal and objections to form of Contract, if any, shall be considered, and so forth in order, until a responsive, responsible proposer agreeable to

execution of a form of Contract acceptable to the City and to the proposer is ascertained.

CONTRACT NOTIFICATION AND AWARD

The City reserves the right to negotiate with the Proposer that has the highest ranking in the interview. It is the intent of the City to ensure it has the flexibility it needs to arrive at a mutually acceptable agreement. Negotiations may include, but not be limited to, matters such as:

- Contract details (see Exceptions above).
- Contract payment details
- Service requirements
- Minor changes to the scope of services

Subject to the City's right to cancel this RFP and to reject any and all proposals, and to the procedure for Objections to Proposed Contract, City will award the contract to the responsible proposer whose proposal the City determines is the most advantageous to the City based on the evaluation process and evaluation factors described in this RFP, applicable preferences described in ORS 279A.120 and 279A.125 and, the outcome of any negotiations authorized by this Request for Proposals.

The Proposer selected will enter into a contract with the City.

The general conditions and specification of the RFP and the successful Proposer's proposal, as amended pursuant to negotiations in accordance with the terms of this RFP, will become part of the Contract documents. Additionally, the City will verify Vendor representations that appear in the proposal.

Once the City and selected Proposer have reached an agreement on the scope of services, a final contract will be prepared by the City. If the selected Proposer fails to sign the Contract within ten (10) business days of delivery of the final Contract, the City may elect to negotiate a Contract with the next-highest ranked Proposer. The City shall not be bound, or in any way obligated, until both parties have executed a Contract. No party may incur any chargeable costs prior to the execution of the final Contract.

PUBLIC CONTRACT RULES

Public Contract Rules: Except as modified by the terms of this Request for Proposal, the terms and procedures of the Lake Oswego Public Contract Rules (LOPCRs) shall apply. A copy of the LOPCR may be obtained on the Lake Oswego City Attorney's Office website, www.ci.oswego.or.us/cityattorney, under the Resource Center / Key Documents and Reports link.

CONFIDENTIALITY OF PROPOSALS

Proposals will be confidential until a notice of intent to award a contract is issued. If any part of the proposal is proprietary and is claimed exempt from disclosure, the Proposer must separately submit that material along with the Proposal, in an envelope marked “Proprietary Information Enclosed; Confidentiality Requested”.

ANTICIPATED TIMELINE AND APPROVAL PROCESS

Subject to change at City’s sole discretion.

9/29/2021 - Release RFP on Benefits Broker and Consulting Services.

10/29/2021 – last day for submittal of RFP response. All proposals must be received by 4:00 pm.

11/1/2021 – Distribute proposals to Review Committee.

Week of 11/8/2021 – Review Committee completes selection of proposals for interviews.

Week of 11/15/2021 – Review Committee interviews top three Proposers.

Week of 11/22/2021 – Complete follow-up reference checks and finalize selection.

January 1, 2022 – Selected Proposer begins providing services.

CONTACT INFORMATION

Questions regarding this RFP can be submitted directly to:

Megan Phelan
Human Resources Analyst
mphelan@lakeoswego.city
503-635-0281

ATTACHEMENT A: PROPOSAL QUESTIONS

QUALIFICATIONS

1. State the full name and home address of the Proposer. For national firms, please indicate which office would service our account.
2. Provide the name, title, address, e-mail address, telephone and fax numbers of the individuals responsible for responding to this request.
3. Provide the history of the Proposer, particularly the employee benefits division. Indicate staff size of the employee benefits division and turnover rates.
4. Identify who on the Proposer's staff would be responsible for day-to-day administration of the City of Lake Oswego account. Please describe the roles and qualifications of each individual. Provide hours and days of operation for customer service.
5. What is the average number of clients the individuals in question 4 are expected to handle and categorize by size of the group (number of clients greater than 500 employees / less than 500 employees)?
6. Describe your experience, capabilities and philosophies for providing insurance brokerage services to insured governments, particularly local municipalities.
7. Describe your capability to provide actuarial services. If such services are subcontracted, provide the experience of each subcontractor.
8. How many current clients are local fully insured, self-insured and/or partially self-insured governments? Define what you include as "local".
9. Detail the uniqueness that makes you different from other persons or firms that may submit proposals for this RFP.
10. Discuss any impending changes in your organization that could impact the delivery of services.
11. Does your entity provide COBRA/retiree administration services? If so, what fees do you charge?

SERVICE TEAM

12. What is your approach to client services? Give examples of client success stories to illustrate your firm's capabilities in cost savings, customer management, and carrier management.
13. How do you ensure and monitor client satisfaction on an ongoing basis?
14. Clear, concise and relevant employee communications is essential. Describe the types of employee educational materials, benefit plan summaries, newsletters, updates, and other informative communications you produce and routinely provide to your clients. Please provide samples.
15. Describe the methods you employ to track open issues to ensure they are delivered accurately and on time.
16. Describe your customary role in open enrollment.
17. Describe any benefit advocate services you have available to clients.
18. Describe how you would keep us legally compliant. What is your process for

ensuring that we would be up to date on all new benefits legislation and requirements that apply to the City?

19. Do you have persons on staff that can provide legal advice to the City with respect to benefit compliance questions? Is there an additional cost associated with obtaining advice from your in-house or associated attorney?
20. How do you communicate health care reform legislative requirements and updates to your clients? Do you have any web-based tools available to assist with the implementation of health care reform requirements?
21. Are you able to prepare the legally required notices we must provide employees? If so, please provide samples.

DATA ANALYSIS

22. What type of local and regional benchmarking data will you provide? Are you able to benchmark other local governments?
23. Explain the resources you utilize to identify trends and recommend plan design changes.
24. Do you work with actuaries to validate and analyze data from the carriers? If yes, please explain the process your firm utilizes.
25. How will you save the City of Lake Oswego money and how will you demonstrate the savings?

CONSULTANT SELECTION

26. How will you help us with competitive marketing and placement of our plans, including development of marketing specifications, identification of market conditions, and evaluation of proposals, negotiations and placement of insurance contracts for annual renewals?
27. When there are plan design changes, what type of support do you provide to execute such changes with the carriers to ensure a smooth implementation?
28. How do you determine whether we offer competitive benefits when compared to local governments?
29. How will you measure the quality and best practices of the insurance companies and vendors you would recommend?

FEES

30. Describe your proposed fee schedule, including any start-up or implementation fee. (The fee schedule should not be based upon receipt of compensation or bonus, either direct or indirect, from providers.)
31. What type of fee disclosure reporting do you provide? Are there any fees you do not report?
32. Are you willing to enter into any performance guarantees that would put a portion of your consulting fees at risk?

IMPLEMENTATION

- 33. Will you have a designated implementation team?
- 34. What issues and challenges do you foresee and how will you address them?
- 35. How will you bridge the information gap from the outgoing consultant to new consultant?
- 36. What would your expectations be for us?

REFERENCES

- 37. Please provide three client references. References who have similar plan demographics to the City of Lake Oswego are preferred. Provide at least one that is a previous client within the last three years. For this reference, also include the dates of service, and reason(s) for the end of the client engagement.

Client Reference #1	
Client Name	
Contact Name	
Title	
Phone Number	
Email Address	
Type of Services Provided	
Services Provided Similar to The City's Scope of Services?	Yes Explain similarities: No
Client References #2	
Client Name	
Contact Name	
Title	
Phone Number	
Email Address	
Type of Services Provided	
Services Provided Similar to The City's Scope of Services?	Yes Explain similarities: No

Client Reference #3	
Client Name	
Contact Name	
Title	
Phone Number	
Email Address	
Type of Services Provided	
Services Provided Similar to The City's Scope of Services?	Yes Explain similarities: No

ATTACHMENT B: EVIDENCE OF INSURANCE

The Contractor shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be paid by the Contractor. Insurance shall meet or exceed the following unless otherwise approved by the City.

A. Minimum Insurance:

- Comprehensive general or commercial general liability coverage with limits not less than \$2,000,000 per occurrence/ \$3,000,000 annual aggregate.
- Professional liability coverage with limits not less than \$2,000,000 per claim/aggregate.
- Workers' Compensation coverage as required by the Industrial Insurance Laws of the State of Oregon.

B. Additional Insurance:

- Consultant's Errors & Omissions or Professional Liability with limits not less than \$5,000,000 per claim and as an annual aggregate. Note: The minimum coverage amount may be reduced, upon a showing by the Proposer that the exposure to claims is less. This amount is proposed for a large, national benefits broker.
- Network Security and Privacy Liability coverage with limits not less than \$2,000,000 per occurrence and as an annual aggregate, which names the City, its officials, employees and volunteers as additional insureds. Said coverage shall be primary and non-contributory.

C. Self-Insured Retentions:

Self-insured retentions must be declared to and approved by the City, upon finding that the Consultant has the financial strength to cover its retention if self-insured in any coverage lines given claims that may arise.

D. Other Provisions:

Commercial General Liability policies must be endorsed to:

1. Include the City, its officials, employees and volunteers as additional insureds.
2. Provide that such insurance shall be primary as respects any insurance or self-insurance maintained by the City,

The selected Proposer shall agree to provide not less than 30 days' notice to City that coverage will be cancelled.

E. Acceptability of Insurers:

Insurance shall be placed with insurers with a financial strength rating by A.M. Best of not less than "A" (excellent).

F. Verification of Coverage:

The selected Proposer shall furnish the City with annual certificates of insurance required by this clause. The certificates are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies at any time.

G. Subcontractors:

The selected Proposer shall require subcontractors to provide coverage that complies with the requirements stated herein.

ATTACHMENT C: RFP PROPOSAL FORM

Benefits Broker and Consulting Services

To: City of Lake Oswego

From: _____ Proposer Name

_____ Proposer Address

_____ City, State, Zip Code

_____ Phone, Email & Fax Number

Submittal Requirements Checklist:

___ Provide complete responses to the questions in the order provided in Attachment A.

___ Proposals are submitted on double sided typed pages, excluding cover, evidence of insurance, and other attachments.

___ A completed and signed RFP Proposal Form (Attachment C).

___ A completed and signed Cost Proposal Form (Attachment D).

___ I hereby acknowledge I have read and understand the insurance requirements listed in Attachment "B", and have either 1) provided an insurance certificate showing amounts of current coverage or 2) provided a statement below indicating our company currently has the necessary coverage's or is willing to obtain, at our cost, the necessary coverage's required.

Signed: _____ Dated: _____

Title: _____

ATTACHMENT D: COST PROPOSAL FORM

Please select either an annual or monthly fee and complete the table(s) below:

Base Proposal:

	Year 2021	Year 2022	Year 2023	Year 2024	Year 2025
Annual Fee:					
Monthly Fee:					
Other*:					
Other*:					
Other*:					
TOTAL	\$	\$	\$	\$	\$

Please include a detailed explanation of all Other fees.*

Additive Option – COBRA / retiree administration

	Year 2021	Year 2022	Year 2023	Year 2024	Year 2025
Annual Fee:					
Monthly Fee:					
Other*:					
Other*:					
Other*:					
TOTAL	\$	\$	\$	\$	\$

Please include a detailed explanation of all Other fees.*

All expenses, including but not limited to the costs of postage, telephone service, travel, employee communications and printing of reports must be included in your fees. The use of subcontractors is acceptable, provided that all fees paid by the City of Lake Oswego are included above.

ATTACHMENT E: FORM OF CONTRACT

See next page



**CITY OF LAKE OSWEGO
Standard Personal Service Contract
Benefits Broker and Consulting Services**

Contractor:	Contractor Name	Date of Contract:	January 1, 2022
Mailing Address:	Mailing Address City, State Zip	Date of Completion: Option(s) to Renew?	December 31, 2022 4 Annual Terms

WITNESSETH:

Contractor and the City of Lake Oswego, a municipal corporation, mutually covenant and agree to and with each other as follows:

1. SCOPE OF WORK AND CONTRACT DOCUMENTS. The Contractor shall perform the Project as outlined in this Contract. The contract documents shall consist of, and any conflicts shall be resolved in the following priority:

- A. This Contract;
- B. The City of Lake Oswego Standard Public Contract Provisions, which are attached and hereby incorporated by reference;
- C. The exhibit(s) to this Contract in the following order of priority:
Exhibit A – Scope of Work
Exhibit B – Revisions to Contractor’s proposal.
Exhibit C – Contractor’s Proposal

This contract shall supersede any prior representation or contract, written or oral.

2. DURATION OF CONTRACT. This Contract shall become effective on the date this Contract has been signed by every party hereto. Contractor acknowledges that no work has been or will be performed for the project under this Contract until this Contract is fully executed and effective. Contractor shall complete performance of this contract on or before the Date of Completion stated above.

The contract may be renewed annually. City may renew this Contract upon the same terms and conditions for up to four one-year renewals. Renewal shall occur automatically, unless notice is given by City to the Contractor not less than 60 days prior to the completion date stated above, and the same date of each year thereafter for which the Contract is renewed.

3. PAYMENT.

A. Amount and Manner of Payment. Payment below shall be for all goods, materials, expenses, and services. Payment will be made as follows, subject to *Taxpayer Identification Report / Date and Method of Payment* below, and acceptance of work by Public Contracting Officer.

Method of Payment	Amount	When Paid
Fixed Fee - monthly	Monthly \$ _____	Paid Quarterly; submit quarterly invoice until work complete
	Not to Exceed: \$ _____	

B. Taxpayer Identification Report / Date and Method of Payment. No payment shall be due to the Contractor until the Contractor has submitted to the City's Finance Department IRS Form W-9 Request for Taxpayer Identification and Certification (<http://www.irs.gov/pub/irs-pdf/fw9.pdf>). The City prefers to pay contractors by electronic fund transfer; the contractor may submit the EFT agreement (<http://tinyurl.com/LO-EFT>) to the City's Finance Department. Payment shall be tendered, when due within 30 days from the date of receipt of the invoice.

4. TIME IS OF THE ESSENCE. Contractor agrees that time is of the essence under this Contract.

5. TERMINATION.

A. Parties' Right to Terminate for Convenience. This Contract may be terminated at any time by mutual written consent of the parties.

B. City's Right to Terminate for Convenience. City may, at its sole discretion, terminate this Contract, in whole or in part, upon 10 days' notice to Contractor.

C. City's Right to Terminate for Cause. City may terminate this Contract, in whole or in part, immediately upon notice to Contractor, or at such later date as Public Contracting Officer may establish in such notice, upon the occurrence of any of the following events:

- (i) City fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient to pay for Contractor's Work;
- (ii) Federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the Work under this Contract is prohibited or City is prohibited from paying for such Work from the planned funding source;
- (iii) Contractor no longer holds any license or certificate that is required to perform the Work; or
- (iv) Contractor commits any material breach or default of any covenant, warranty, obligation or agreement under this Contract, fails to perform the Work under this Contract within the time specified herein or any extension thereof, or so fails to pursue the Work as to endanger Contractor's performance under this Contract in accordance with its terms, and such breach, default or failure is not cured within 5 business days after delivery of Public Contracting Officer's notice, or such longer period as Public Contracting Officer may specify in such notice.

D. Contractor's Right to Terminate for Cause. Contractor may terminate this Contract upon 30 days' notice to Public Contracting Officer if City fails to pay Contractor pursuant to the terms of this Contract and City fails to cure within 30 business days after receipt of Contractor's notice, or such longer period of cure as Contractor may specify in such notice.

E. Remedies. In the event of termination pursuant to subsections B, C(i), C(ii) or D,

Contractor's sole remedy shall be a claim, per Paragraph 3.A, for: (1) unpaid invoiced completed work, and (2) as to work in progress that has not been invoiced, (i) hourly rates: the amount determined by multiplying the number of hours worked times the hourly rate; or (ii) unit price / fixed price: the sum designated for accomplishing the Work multiplied by the percentage of Work completed and accepted by Public Contracting Officer, less previous amounts paid and any claim(s) that City has against Contractor. If previous amounts paid to Contractor exceed the amount due to Contractor under this subsection, Contractor shall pay any excess to the City upon demand.

In the event of termination pursuant to subsection C(iii) or C(iv), City shall have any remedy available to it in law or equity. If it is determined for any reason that Contractor was not in default under subsection C(iii) or C(iv), the rights and obligations of the parties shall be the same as if the Contract was terminated pursuant to subsection B.

F. Contractor's Tender upon Termination. Upon receiving a notice of termination of this Contract, Contractor shall immediately cease all activities under this Contract, unless Public Contracting Officer expressly directs otherwise in such notice of termination.

Upon termination of this Contract, Contractor shall deliver to Public Contracting Officer all documents, information, works-in-progress and other property that are or would be deliverables had the Contract been completed. Upon Public Contracting Officer's request, Contractor shall surrender to anyone Public Contracting Officer designates, all documents, research or objects or other tangible things needed to complete the Work.

6. INSURANCE. The Contractor will not perform any work under this contract until the City has received copies of applicable insurance policies or acceptable evidence that the insurance indicated as required in subsection D below is in force.

A. Scope of Insurance. The Contractor shall obtain prior to the commencement of the Contract, and shall maintain in full force and effect for the term of this contract, at the Contractor's expense, the policies indicated below in subsection D for the protection of the Contractor. The Contractor shall not undertake any acts that shall affect the coverage afforded by the above policy. If the insurance policy is issued on a "claims made" basis, then the Contractor shall continue to obtain and maintain coverage for not less than three years following the completion of the contract.

If no automobile liability insurance policy is required in subsection D, Contractor expressly acknowledges and agrees that City is not providing any automobile insurance to Contractor and that as to the City and any third parties, Contractor bears sole liability for claims, damages, injury (including death) and losses, arising out of or resulting from Contractor's operation of Contractor's automobile or any other automobile, whether or not such use is related to Contractor's work under this contract, and Contractor shall make no claim against the City for any claim, damage, injury, or loss resulting thereby.

B. Coverage Amount. The policies shall be issued by a company authorized to do business in the State of Oregon, protecting the Contractor or subcontractor or anyone directly or indirectly employed by either of them against liability for the loss or damage of personal and bodily injury, contractual liability, death and property damage, and any other losses or damages above mentioned with limits not less than as stated in subsection D below or the limit of public liability contained in ORS

30.260 to 30.300 for any policy, whichever is greater.

C. Certificate of Insurance / Additional Insured and Waiver of Subrogation Endorsement.

The Contractor shall cause the insurance company to provide the City with: (i) a certificate of insurance and, (ii) if an additional insured endorsement is indicated as required in subsection D below, an endorsement thereto naming the City, its officers, agents, and employees as an additional insured for those policies indicated. The policies will be endorsed to provide a waiver of subrogation in favor of the City and all additional insureds. The Contractor shall provide the City written notice of cancellation or material modification (change in limits or coverages) of the insurance contract for not less than the following notice for the purposes stated: 30 days prior notice for reasons other than non-payment; 10 days prior notice for non-payment.

The Contractor shall further cause a certificate of insurance to be issued not less than 5 days prior to any policy expiration date by the Contractor’s insurance company or companies during the term of the Work, to assure that the required insurance is maintained.

D. Insurance Policy Requirements.

Required?	Type of Insurance	Minimum Coverage	City named as Additional Insured
Yes	Comprehensive general or commercial general liability	\$2,000,000 per occurrence and \$3,000,000 in the aggregate	Yes
No	Protection and Indemnity** US L&H**	\$2 million per accident \$2 million per person per accident	Yes
	** Admiralty endorsement in lieu of P&I, and US L&H endorsement on worker comp. coverage for required amounts is permissible		
No	Automobile liability	\$2,000,000 per accident-combined single limit or \$2,000,000 bodily injury and \$1,000,000 property damage	Yes
Yes	Professional liability	\$5,000,000 per occurrence and \$5,000,000 in the aggregate (See RFP, pg. 14)	No
Yes Or No (if initialed)	Workers Compensation Employer’s Liability _____ Contractor Initial if Exempt from Worker Comp Coverage	Statutory Coverage \$1 million per person per accident _____ Contractor warrants and represents contractor does not employ any persons that would require contractor to provide workers compensation insurance benefits.	No

* The amounts may be achieved by a combination of base coverage and umbrella coverage.

INSERT CONTRACTOR NAME HERE

By: _____

Name: _____

Title: _____

Date: _____

Check one:

<input type="checkbox"/>	Sole Proprietor
<input type="checkbox"/>	Partnership
<input type="checkbox"/>	Corporation
<input type="checkbox"/>	Limited Liability Company
<input type="checkbox"/>	Limited Liability Partnership
<input type="checkbox"/>	Other:
Domicile, if other than Oregon: _____	

CITY OF LAKE OSWEGO, an Oregon Municipal Corporation

Megan Phelan, Asst. City Manager

Date: _____

Public Contracting Officer

380 A Avenue

PO Box 369

Lake Oswego, OR 97034

Date Authorized by Council, if applicable:

_____.

APPROVED AS TO FORM:

Evan P. Boone,
Deputy City Attorney

**CITY OF LAKE OSWEGO STANDARD PUBLIC CONTRACT PROVISIONS FOR PERSONAL SERVICE / SERVICE CONTRACT
(1/19)**

The following City of Lake Oswego Standard Public Contract provisions are made a part of the Contract between City and Contractor by reference. Where the Lake Oswego Redevelopment Agency (LORA) is the contracting party, "City" shall refer to LORA.

CHANGES

This contract, including all attachments and exhibits annexed hereto, shall not be subject to modification or amendment except in writing, executed by both parties. This contract and any substantive changes to the scope of work or changes to the contract costs will not be effective until approved in writing by the City's Public Contracting Officer (PCO).

INDEPENDENT CONTRACTOR STATUS

The Contractor agrees and certifies that:

A. The Contractor is engaged as an independent contractor. Although the PCO reserves the right (i) to determine (and modify) the delivery schedule for the Work to be performed and (ii) to evaluate the quality of the completed performance, City cannot and will not control the means or manner of Contractor's performance, nor provide any tools or equipment for the performance of the Work, except as provided elsewhere in this Contract. Contractor is responsible for determining the appropriate means and manner of performing the Work.

B. Contractor shall be responsible for all federal or state taxes applicable to compensation or payments paid to Contractor under this Contract and, unless Contractor is subject to backup withholding, City will not withhold from such compensation or payments any amount(s) to cover Contractor's federal or state tax obligations.

C. The Contractor will not, on account of any payments made under this contract, be eligible for any benefit from federal social security, workers' compensation, unemployment insurance, or the Public Employee's Retirement System, except as a self-employed individual;

D. Contractor is not currently an employee of the federal government or the State of Oregon; and

E. The Contractor is not a contributing member of the Public Employee's Retirement System.

F. Contractor is not an "officer," "employee," or "agent" of the City, as those terms are used in ORS 30.265.

OTHER CONTRACTORS

The City may undertake or award other contracts for additional or related work, and the Contractor shall fully cooperate with such other contractors and with any City employees concerned with such additional or related work, and shall coordinate its performance under this contract with such additional or related work. The Contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or by City employees.

SUBCONTRACTORS AND ASSIGNMENT

Except as set forth in Contractor's proposal or otherwise in this Contract, no subcontract shall be made by the Contractor with any other party for furnishing any of the work or services herein contracted without obtaining the prior written consent of the City, which City may withhold without cause. In addition to any other provisions PCO may require, Contractor shall include in

any permitted subcontract under this Contract a requirement that the subcontractor be bound by the following sections of this Contract as if the subcontractor were the Contractor: Independent Contractor Status; Other Contractors; Hours of Labor; Ownership of Work; Indemnity and Hold Harmless; Records; Attorney Fees; Compliance with Laws. PCO's consent to any subcontract shall not relieve Contractor of any of its duties or obligations under this Contract.

This contract is not assignable by the Contractor, either whole or in part, unless Contractor has obtained the prior written consent of the City.

City and Contractor are the only parties to this Contract and are the only parties entitled to enforce its terms. Nothing in this Contract gives, is intended to give, or shall be construed to give or provide any enforceable benefit or right, whether directly, indirectly or otherwise, to third persons.

HOURS OF LABOR

For those employees of Contractor covered or subject to Oregon employment laws, the Contractor shall pay employees for overtime work performed under the public contract in accordance with ORS 653.010 to 653.261 and the Fair Labor Standards Act of 1938 (29 USC 201 et seq.).

ERRORS

The Contractor shall perform such additional work as may be necessary to correct Contractor's errors in the work required under this contract without undue delays and without additional cost.

REPRESENTATIONS AND COVENANTS

A. Contractor's Representations. Contractor represents and covenants to City that:

(1) Contractor has the power and authority to enter into and perform this Contract,

(2) This Contract, when executed and delivered, shall be a valid and binding obligation of Contractor enforceable in accordance with its terms, and if Contractor is a partnership, corporation or other form of business entity, this contract was duly approved and executed pursuant to authority of the governing body or parties of the Contractor,

(3) Contractor is not in violation of any Oregon tax laws.

(4) Upon acceptance of each project, the Contractor warrants that it will carefully examine, as necessary, the site of the work contemplated and any plans, specifications, and contract documents pertaining to work, with the exception of unknown physical conditions at the work site, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided herein..

(5) Contractor shall, at all times during the term of this Contract, be qualified, professionally competent, and duly licensed to perform the Work.

(6) Contractor will accomplish the work using a standard of performance and care that is currently accepted by other contractors engaged in similar work, under similar conditions and at the date the services are provided in the Portland metropolitan area (Standard of Care).

(7) Contractor's invoices shall describe all work performed with particularity, by whom it was performed, and

**CITY OF LAKE OSWEGO STANDARD PUBLIC CONTRACT PROVISIONS FOR PERSONAL SERVICE / SERVICE CONTRACT
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shall itemize and explain all expenses for which reimbursement is claimed. Contractor shall send invoices to City's Project Manager.

(8) Contractor's completion shall not extinguish or prejudice City's right to enforce this Contract with respect to any breach of Contractor warranty or any default or defect in Contractor performance (defect is defined herein as services that do not conform to the Standard of Care (Section 6) in the performance of the Contract).

(9) Contractor has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of contractor's services, and in the performance of this contract no person having any such interest shall be employed.

B. Cumulative. The representations and covenants set forth in this section are in addition to, and not in lieu of, any other representations and covenants provided.

OWNERSHIP OF WORK

All work products of the Contractor, including background data, documentation and staff work that is preliminary to final reports, which result from this contract are the exclusive property of the City. If this contract is terminated by either party or by default, the City following payment as required by the Contract, in addition to any other rights provided by this contract, may require the Contractor to transfer and deliver such partially completed reports or other documentation that the Contractor has specifically developed or specifically acquired for the performance of this contract.

The reports and all material contained in the reports (graphics, photos, etc.) shall become the property of the City; the City may reproduce and distribute the reports, or any part thereof, in such form as the City desires. Any reuse of completed documents or use of partially completed documents without written verification or concurrence by Contractor for the specific purpose intended will be at the City's sole risk and without liability or legal exposure to Contractor.

**ELECTRONIC CONTRACTING AND REPORTS;
PHOTOCOPY, ELECTRONIC, OR PDF VERSION OF CONTRACT**

This contract and any amendments may be executed by a party electronically by use of a digital signature issued by a city-recognized certification authority (such as Symantec Digital ID), pursuant to the Oregon Uniform Electronic Transactions Act, ORS Ch. 84.001 – 84.063. Upon execution of this contract electronically, the party consents to conduct further communications and transactions under this Contract by electronic means.

Unless otherwise stated in the Scope of Work or separately waived in writing, all final reports, including reports of phases of the project and of the entire project, shall be provided in both written and electronic format. Electronic format shall be in a format coordinated with the PCO and shall be fully compatible with such software programs specified by the PCO, .e.g. Microsoft Word, Microsoft Excel, Microsoft PowerPoint, Microsoft Access, Microsoft Publisher, Adobe Creative Suite, Adobe PDF, or such other software program as specified by the PCO.

A photocopy, electronically scanned (PDF), or electronic version of this Contract shall be deemed equivalent to an

originally signed Contract for all purposes, including arbitration or litigation.

INDEMNITY AND HOLD HARMLESS

The Contractor shall defend, indemnify, and hold the City, its officers, agents and employees, harmless against all liability, loss, or expenses, including reasonable attorney's fees, and against all claims, actions or judgments based upon or arising out of damage or injury (including death) to persons or property, but only to the proportionate extent caused by or resulting from any act, error, or omission (excepting professional services performed under this Contract) of an act sustained in connection with the performance of this contract or by conditions created thereby, or based upon Contractor's violation of any statute, ordinance or regulation.

With respect to professional services performed under this Contract, Contractor shall defend, indemnify, and hold the City, its officers, agents and employees, harmless against all liability, loss, or expenses, including reasonable attorney's fees, and against all claims, actions or judgments based upon or arising out of damage or injury (including death) to persons or property, but only to the proportionate extent caused by any negligent act, error, or omission of an act sustained in connection with the performance of this contract or by conditions created thereby, or based upon violation of any statute, ordinance or regulation.

RECORDS

Contractor shall have access to the books, documents, papers and records of the City as necessary for Contractor's performance of the work. The Contractor shall not disclose all or any part of such records to any other person, firm, corporation, association or other entity except as reasonably necessary to carry out the Work, without the consent of the Public Contracting Officer.

The Contractor agrees that the City and its authorized representatives shall have access to the books, documents, papers and records of the Contractor which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcripts.

Contractor shall maintain all fiscal records directly relating to this Contract in accordance with generally accepted accounting principles. In addition, Contractor shall maintain any other records pertinent to this Contract in such a manner as to clearly document Contractor's performance. Contractor acknowledges and agrees that City's duly authorized representatives shall have access to such fiscal records and other books, documents, papers, plans and writings of Contractor that are pertinent to this Contract to perform examinations and audits and make excerpts and transcripts. Contractor shall retain and keep accessible all such fiscal records, books, documents, papers, plans, and writings for a minimum of three (3) years, or such longer period as may be required by applicable law, following final payment and termination of this Contract, or until the conclusion of any audit, controversy or litigation arising out of or related to this Contract, whichever date is later.

PUBLICATION RIGHTS/RIGHTS IN DATA

To the extent the Work Product consists of material capable of publication, all publication rights in the product

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(1/19)**

produced by the Contractor in connection with the work provided for under this contract, whether in preliminary draft or final form, shall be vested in the City.

The Contractor shall not publish any of the results of the work without the prior written permission of the City.

All original written material and other documentation, including background data, documentation, and staff work that is preliminary to final reports, originated and prepared for the City pursuant to this contract, shall become exclusively the property of the City. The ideas, concepts, know-how or techniques relating to data processing development during the course of this contract by the Contractor or City personnel, or jointly by the Contractor and City personnel, can be used by either party in any way it may deem appropriate.

Material already in the Contractor's possession, independently developed by the Contractor outside the scope of this contract or rightfully obtained by the Contractor from third parties, shall belong to the Contractor. However, the Contractor grants to the City a nonexclusive, irrevocable and royalty-free license to use such material to the extent such material is incorporated into the Work.

This contract shall not preclude the Contractor from developing materials that are competitive, irrespective of their similarity to materials which might be delivered to the City pursuant to this contract. The Contractor will not, however, use any written materials developed under this contract in developing materials for others, except as provided in this section.

CONFIDENTIALITY

No reports, information and/or data given to or prepared or assembled by the Contractor under this contract shall be made available to any individual or organization by the Contractor without the prior written approval of the City.

DISPUTE RESOLUTION / VENUE

Any dispute or claim that arises out of or that relates to this Contract, or to the interpretation or breach thereof, or to the existence, validity, or scope of this Contract or the arbitration Dispute Resolution procedure, shall be resolved as follows:

- Level 1: Within 15 days request for Level 1 dispute resolution, commence negotiation between the Contractor's Project Manager and the City's Project Manager. The City's Project Manager's last offer shall be final unless either party requests Level 2 dispute resolution within 15 days from commencement of Level 1 negotiation, unless both parties agree to extend the time to initiate Level 2.
- Level 2: Within 15 days request for Level 2 dispute resolution, commence negotiation between the Contractor's management representative with unlimited authority to settle the dispute and the City Manager. The City Manager's last offer shall be final unless either party requests Level 3 dispute resolution within 30 days from commencement of Level 2 negotiation, unless both parties agree to extend the time to initiate Level 3 Mediation.
- Level 3: Mediation in accordance with the mediation procedures of the Arbitration Service of Portland, Inc. (www.arbsevice.com), or such other procedures as the parties agree. The mediator shall be selected by the parties, either upon mutual agreement within 15 days written notice by one party to the other requesting mediation, or if the parties are not able to

agree upon a mediator within said period, then in accordance with the "Appointment of Sole Arbitrator" of the Arbitration Service of Portland, except that the person shall be a mediator, not an arbitrator. If the parties are unable to resolve the dispute upon completion of mediation, the City Manager's last offer under Level 2 shall be final unless a Claim for arbitration is filed within 30 days of the completion of mediation,

- Level 4: Upon the filing of a Claim for Arbitration, Arbitration shall occur in accordance with the arbitration procedures of the Arbitration Service of Portland, Inc. (www.arbsevice.com), or such other procedures as the parties agree. The decision of the arbitrator(s) shall be final and may be entered as a judgment in the Clackamas County Circuit Court in accordance with Oregon law.

The Parties shall equally share in the cost of the mediator / arbitrator(s); each Party shall be responsible for its own costs and fees. The mediation / arbitration proceeding shall be held in Clackamas or Multnomah counties, as the mediator / arbitrator(s) shall select, unless the parties otherwise agree.

SEVERABILITY

The parties agree that if any term or provision of this contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular term or provision held to be invalid.

COMPLIANCE WITH LAWS

The provisions of this contract shall be construed in accordance with the provisions of the laws of the State of Oregon and ordinances of the City of Lake Oswego, Oregon.

The Contractor shall comply with all federal, state and local laws and ordinances, applicable to public contracts relating to Contractor's obligations and performance, and to the work to be done under this contract.

The Contractor shall comply with all applicable federal, state, and local laws, rules, and regulations on nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, sexual orientation, gender identity, marital status, age, medical condition, or disability.

WAIVER

The failure of the City to enforce any provision of this contract shall not constitute a waiver by the City of that or any other provision.

INTEGRATION

This contract represents the entire and integrated agreement between the Contractor and the City, and supersedes all prior negotiations, representations or agreements, either written or oral.